

From: MTGSWFL@aol.com on 04/07/2008 11:40:03 AM

Subject: Regulation Z

Ladies and Gentlemen,

I am one of the few Mortgage Brokers that is surviving in my area. The reason I am surviving is that I have provided fair professional services to my community for the last 15 plus years and referrals for that integrity in business are helping me survive now.

You are now thinking of changing the "playing field" by allowing Banks (who developed the products that currently have the industry in trouble, not the Mortgage Brokers) even more ability to not disclose as strongly as the Brokers and making it even more difficult for my industry to even exist. Banks do not have to disclose what they make on a loan, we do. Making what is already unfair, worse, this could permanently cripple my already struggling industry.

The lending institutions of this country and the federal over site of my industry is not using common "Good sense" to lend or oversee lending. Three years ago the lenders (not the mortgage brokers) came out with products allowing no down payment (100% financing) and no verification of income products on any residential property that you could purchase, including non owner occupied, up to four unit properties (the highest risk). This did not make common sense as the reason that we have stated products is for people who have legitimate write offs that allow them to have less taxable income and therefore should have additional reserves to put money down in order to purchase property. Now the banks having set themselves up for failure have tried to blame the people who they gave the product to for selling it.

Eliminating stated product is an over reaction to a problem that the banks created. Once again common sense tells us that having the product available is good. Going to extremes is not good. Allow for stated products but only with 10% down for Owner Occupied dwellings and more on Investment, like 20% for Non owner single family and 25% for multi family non owner occupied. That is common sense.

The current situation was brought on by greed. Greed from the people who were purchasing more home than they needed or could support because they had "flipped" a couple and made a lot of money fast. Greed of the lenders who wanted to get as much money out there to get "their share" of the increasing economy. When your market is moving that fast there has to be a correction. I just don't want to be the one who pays for it as I was not the one who created it.

Cordially,

Katherine McCaw